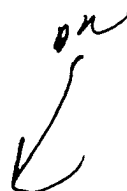


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Meeting with Bud McFarlane

6 September 1984



Please return to SA/DCI/IA

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5 September 1984

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Meeting with Bud McFarlane, 6 September 1984

1. You are scheduled to meet with Bud McFarlane, Thursday evening, 5 p.m., in his office. The NSC did not have any items for Thursday's agenda. MR. McFARLANE WILL ONLY BE AVAILABLE FOR 20 MINUTES DUE TO ANOTHER APPOINTMENT.

2. For our part, if you decide to keep this appointment, you may wish to raise the following issues:

- Salvador/Nicaragua Update: At Tab A is an update on the situation in El Salvador and in Nicaragua. Of note is the apparent Salvadoran insurgents' willingness to postpone the offensive in favor of direct negotiations with Duarte; Duarte's unwillingness to engage now in such negotiations; the ongoing loading of a Bulgarian ship that may be used to transport L-39s to Nicaragua; and, finally, evidence of a growing Cuban role in Nicaragua.
- Leaks: At Tab B you will find talking points which will allow you to update the National Security Advisor on the status of the investigation on the publication of satellite imagery in "Jane's." Apparently it was Jane's U.S. office that forwarded three satellite photos and accompanying text to Jane's UK office. Jane's UK office claims that they thought it was an "official leak" and so went ahead and published. At this point, they apparently retain the satellite imagery prints in a safe in the office of Jane's editor-in-chief.
- The Soviet Leadership: At Tab C you will find talking points that allow you to initiate a general discussion on the prospects for the Soviet leadership. Chernenko's appearance yesterday on television would seem to indicate that rumors of his having had a heart attack in August were incorrect and perhaps purposely spread. There is some possibility that an extended battle for the successor's mantle is already under way--one that involves Gorbachev and Romanov--and rumors concerning Chernenko's health are a reflection of that struggle. Neither Gorbachev nor Romanov, however, are likely to have sufficient backing for a near-term, clear-cut victory. Thus, we can expect more rumors about Chernenko's imminent demise and more muddling through in the policy domain.

25X1

3. If I can do more to help in preparing for this meeting, please call.

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A

SECRET [REDACTED] 7/4/83 'A' 25X1

NIO/LA
5 September 1984DCI TALKING POINTSEL SALVADOR UPDATE

There are continuing indications that the Salvadoran insurgents are reluctant to begin their planned fall offensive and would like instead to begin negotiations with President Duarte.

- The insurgents have been sending signals of their willingness to talk through a variety of intermediaries recently, including Venezuela, Costa Rica, and the Catholic Church.

[REDACTED] 25X1
messages indicated that if Duarte expressed a desire to negotiate by the first week of September, the Fall general offensive would be further postponed.

- Duarte has refused to respond positively [REDACTED] 25X1
[REDACTED] because he believes time is on his side and does not want to alienate his own military. 25X1

Meanwhile, the Salvadoran Army has begun a new series of offensive sweeps by its five immediate reaction battalions after a period of rest and recuperation.

- Duarte also has allowed a rightist officer involved in a previous case of insubordination, Col. Ochoa, to assume a key field command in the north because of his proven combat record.
- The Army hopes to keep the insurgents off balance and prevent major resupply efforts from Nicaragua.
- Although the Army has been generally successful, reports indicate that guerrilla supplies continue to trickle in by land, air, and sea, in some cases via Mexico and Guatemala.

SECRET [REDACTED] 25X1

SECRET [REDACTED]

25X1

NICARAGUA UPDATE

The L-39 jet aircraft sent from Libya to Bulgaria may soon be shipped to Nicaragua.

- A Bulgarian ship which has previously transported arms to Nicaragua apparently is currently loading military cargo, including radar equipment and armored vehicles, at the Bulgarian port of Burgas, where the L-39's are located.
- If the ship loads the L-39's and departs shortly, it could arrive at El Bluff, Nicaragua, by late September.
- Meanwhile, a Sandinista Army spokesman announced on 30 August that the arrival of modern combat aircraft in Nicaragua is near.
- He also reaffirmed that the major airbase at Punta Huete, which should have its main runway paved by late September, is being built for the new aircraft.
- The arrival of L-39's equipped with air-to-air missiles will pose a significant threat [REDACTED] to insurgent resupply flights.

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There are increasing signs that the Cuban military presence in Nicaragua may be on the rise, and that the Cubans are playing a key role in the counterinsurgency effort.

[REDACTED] Cuban military officers are preparing to deploy to Nicaragua in late September.

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[REDACTED] four Cubans were killed in the recent raid on a military camp in northern Nicaragua by anti-Sandinista forces. [REDACTED]

25X1
25X1
25X1

- A Cuban pilot was killed in late August in northern Nicaragua when his MI-8 helicopter crashed, probably during a combat mission in support of the Sandinista Army.

[REDACTED] a Cuban is training five companies of Sandinista soldiers at a large training camp in northern Nicaragua, and another Cuban claims to be a company commander at a base in the northwest.

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SECRET [REDACTED]

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TOP SECRET

Notes on Jane's Defence Weekly Publication
of Classified Imagery

7 August 1984 - Satellite photos of Soviet nuclear-powered aircraft carrier under construction at a Black Sea shipyard were shown on CBS news and CNN news.

8 August 1984 - Washington Post, Washington Times and others published satellite photos, noting they were from Jane's Defence Weekly issue dated 11 August 1984.

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The FBI and the Navy, in a joint investigation, have identified a suspect. He is a civilian employee of the Navy, who is believed to have disclosed classified information in the past. Evidence from his office is being processed through a Navy laboratory. If laboratory testing provides further evidence, the Justice Department will be asked to seek a Title III wiretap order.

This leak illustrates the extent to which disclosures of classified information to support a controversial position have become commonplace. There is no system for coordinating official disclosures of classified information and no way to distinguish between unattributed official disclosures and unauthorized leaks. The recipients of this leaked information claim they can't even tell which is which. Regardless of motive, the damage is done when the classified information is published.

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TOP SECRET

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PROPOSED DCI TALKING POINTS ON SOVIET LEADERSHIP SCENE

Chernenko's appearance on live TV suggests he is not likely to die in the immediate future.

He is clearly in poor physical shape. Although we have several reports he suffered a heart attack in early August, his current appearance tends to argue against this.

The political battle for the succession is certainly heating up, however.

August saw a major rumor campaign about Chernenko's imminent demise. Given its control of contacts with foreigners, the KGB was probably the major institution behind this.

At the same time a labored effort was made by Chernenko partisans in the central apparatus to keep his name in the public eye and they probably contrived the cosmonaut ceremony to help quell rumors about his health.

Gorbachev's standing as the "heir apparent" is more pronounced than ever before in Soviet history. But his accession to the General Secretaryship will not be automatic, far less his consolidation of the power needed to lead and address Soviet problems over the longer run.

On the contrary a major and probably protracted personal and factional battle for power appears to be underway. It is likely to persist for some time even if Gorbachev becomes General Secretary in the next several months.

For now it looks like Gorbachev versus Romanov.

Gorbachev has several advantages.

Good politician and manager, probably looked to as one who can reform aspects of management while preserving central control.

Strong influence over party appointments now.

The candidate of the "Andropov faction", with probable backing of the KGB.

Romanov looks like he was brought into the Secretariat in June 1983 by Chernenko's allies in the central and regional apparatus to counterbalance Gorbachev.

From the Secretariat he supervises defense industry -- and may therefore have ties to Ustinov -- and also the KGB and regular police -- and may in this role keep them from helping Gorbachev the way they helped Andropov.

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The contours of the present infighting cannot be described with confidence. We can say with more confidence that the outlook favors a hard and probably protracted contest, with darkhorses perhaps appearing in the months and years ahead.

This is because the present front runners now lack the firm political bases to assure them the General Secretary's post once Chernenko dies or to consolidate power once they get the job.

There is a perceptible difference between Gorbachev's and Romanov's rhetorical records on policy toward the US.

Gorbachev has signaled an inclination toward slightly more flexible policies.

Romanov's record is uniformly hardline.

These differences are probably not germane to real policy choice.

During the struggle for power, all contenders are likely to take refuge in hardline postures, while trying to fault the competition with deviations of some kind.

Once in power, any of the candidates is likely to experiment with more flexible policies than we have recently seen.

But none have so far given signs of willingness to sacrifice Soviet foreign and military ambitions.

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